



STATE OF WASHINGTON

WASHINGTON WORKFIRST

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June 20, 2005

To: WorkFirst staff

From: Victor Moore, Director
Office of Financial Management

Robin Arnold-Williams, Secretary
Department of Social and Health Services

Karen Lee, Commissioner
Employment Security Department

Juli Wilkerson, Director
Department of Community, Trade, and Economic Development

Earl Hale, Executive Director
State Board for Community and Technical Colleges

Subject: Re-Examining the WorkFirst Program

As many of you know, we expect the state's WorkFirst program, as currently operating, to run over its budget during the next biennium. The key reason for this shortfall is that federal funding has stayed the same since 1997 while costs, driven by inflation, have and will continue to increase.

We would like to let you know about the process we are following to deal with the budgetary shortfall.

In the short-term, we have already managed a \$15 million shortfall for the budget period that ends June 30. We have accomplished this through state agency hiring freezes, tighter controls of state agency travel and procurement, along with savings in contracted programs. In addition, we have reduced job search by \$20 million or approximately one-third for the 2005-2007 biennium.

Re-Examining the WorkFirst Program

June 20, 2005

Page 2

To address the longer-term deficit, estimated to be between \$60 million and \$100 million over the next two years, we have recommended to Gov. Gregoire that the core goals of the welfare system, as well as the services needed to best accomplish those goals, be re-examined. The program has been in operation for eight years, and while it has helped thousands of parents find employment, it is time to step back and evaluate the goals and strategies of the program.

To that end, we have formed a workgroup, comprised of well-respected individuals both inside and outside state government, to take a thorough look at the program. The workgroup will consider the underlying goals of welfare reform, and evaluate strategies and specific program components that will meet those goals while keeping WorkFirst financially sustainable into the future. The workgroup members (see page 3) will offer perspectives from the academic world, employers, social services, local government, as well as state agency WorkFirst leadership. The workgroup will begin its work later this month.

The workgroup will determine the process for gathering information and input that will help them in their deliberations. After review by the WorkFirst SubCabinet, final recommendations or options will be sent to Gov. Gregoire for her consideration in August.

We are committed to keeping you informed of this process as it moves forward. We strongly encourage you to continue to serve TANF families as you have been doing. Helping parents become employed and reducing reliance on TANF is key to controlling the costs of the program. The collective agency leadership greatly appreciates the energy and creativity you have shown in your efforts to assist WorkFirst families. We applaud your efforts.

Attachment

Re-Examining Welfare Reform in Washington Workgroup Members

(as of June 20, 2005)

Academia	<ul style="list-style-type: none">• Russ Lidman, Director Institute for Public Service, Seattle University.• David Harrison, UW Evans School of Public Affairs, Chair of State WorkForce Board
Local Government	<ul style="list-style-type: none">• Maureen Morris, Deputy Director, Washington State Association of Counties
Business	<ul style="list-style-type: none">• Judy Vadney, Costco
Social Services	<ul style="list-style-type: none">• Liz Schott, adjunct faculty, Seattle University School of Law
DSHS	<ul style="list-style-type: none">• Deb Marley, Asst. Secretary, Economic Services Administration• Stan Marshburn, Chief Financial Officer
Employment Security	<ul style="list-style-type: none">• Paul Trause, Deputy Commissioner
Community and Technical Colleges	<ul style="list-style-type: none">• Jim Crabbe, Director of WorkForce Education, SBCTC• Jill Wakefield, President, South Seattle Community College
CTED	<ul style="list-style-type: none">• Marijo Olson, Director, Community Services Division
OFM/Executive Policy Office	<ul style="list-style-type: none">• Ken Miller, WorkFirst Coordinator• Carole Holland, WorkFirst Coordinator• Regina Jones, Governor's Advisor for Welfare and Early Learning• Lynne McGuire, Budget Division, facilitator
Legislative Staff	<ul style="list-style-type: none">• Sonya Hallum, House Children and Family Services• Edith Rice, Senate Human Services and Corrections